

20 MAY 1949

State Dept. declassification & release instructions on file

GENERAL

1. Continued Soviet restrictions on Berlin--US Representative Riddleberger in Berlin reports, in reviewing the present status of Soviet restrictions on transport, trade, and communications between Berlin and the western zones, that "Berlin remains today in a state of semi-blockade." According to Riddleberger, the USSR may be having "second thoughts" on lifting the blockade because the Soviet action has failed to:
 (a) retard progress toward the establishment of a west German government; (b) produce a "crack" in over-all western trade policy vis-a-vis the Soviet bloc; or (c) release a flow of western zone goods essential to the Soviet Zone and to the continuation of the Soviet reparations policy. Riddleberger therefore raises the possibility that the USSR may have intended to lift the blockade only enough to permit reconvening the CFM while simultaneously retaining a favorable bargaining position in the event that no over-all settlement on Germany is reached and it later becomes necessary to negotiate some provisional arrangement for Berlin. Riddleberger believes, in view of continued Soviet restrictions on Berlin trade, that the Department of State should decide whether Soviet implementation of the Jessup-Malik agreement has been sufficient to warrant the convening of the CFM.

CIA-S

(CIA Comment: CIA agrees that the USSR may be attempting to preserve the most favorable position possible in the event of a breakdown of the CFM negotiations. CIA further believes that the USSR will attempt at Paris to exploit certain remaining transport restrictions in bargaining on the over-all problem of German trade and its relation to western export policy. CIA believes, however, that the Kremlin's strong desire to hold the CFM meeting would impel the USSR to modify its restrictions on Berlin trade if confronted by a western refusal to convene the CFM under present conditions.)

THE C.I.A. HAS NO OBJECTION
 TO THE DECLASSIFICATION OF THIS DOCUMENT.

NO. 029

Document No. 043

NO CHANGE in Class. ☐

☐ DECLASSIFIED

Class. ☐ TS S (C)

Auth: Apr 77
 Date: 11/19/93

TOP SECRET Date: 20 MAR 1978 By: 029

2. Western delegates plan tactics for CFM meeting--According to US Ambassador Jessup in Paris, the US, British, and French delegates preparing for the 23 May CFM meeting have agreed that, because the Soviet Union is the initiator of the meeting, the USSR be asked at the outset to state its proposals on Germany. The delegates believe that western conditions for the unification of Germany should be presented after the Soviet proposals have been dissected, thereby avoiding any appearance of presenting the USSR with an ultimatum at the opening of the meeting.

S - T - S

3. Soviet press treatment of the German question--US Embassy Moscow considers that the Soviet press treatment of the German question indicates the Kremlin not only had hoped that convening the CFM would effectively delay development of the west German government but had even believed that the mere announcement of four-power agreement would accomplish this purpose. The Embassy further notes that the emphasis of the Soviet press on economic unification suggests that the Kremlin is primarily interested in the removal of the counter-blockade, interference with Germany's growing contribution to the European recovery program, and breaching the western restrictive trade policy.

C / A - S

(CIA Comment: CIA concurs with Embassy Moscow's analysis.)

EUROPE

4. GERMANY: British suspect Soviet Zone vote falsified--US Ambassador Douglas in London transmits the view of the British Foreign Office that the recent elections in Soviet Zone Germany were "rigged" to produce only two-thirds

C / A - S

~~TOP SECRET~~

support for Communist policy. The Foreign Office estimates that Soviet control over the electoral machinery is adequate to have secured a 90% vote. The Foreign Office believes that the USSR may have hoped to: (a) create optimism among the western foreign ministers concerning the possibility of an agreement with the USSR; (b) make the Germans believe the western powers are being needlessly cautious and are delaying Germany unity for their own advantage; and (c) enable Soviet propaganda to assert that the elections were free.

(CIA Comment: CIA doubts that the Soviet Zone elections were "rigged" in the manner suggested but agrees with the Foreign Office interpretation of the way in which the USSR may attempt to exploit the results.)

5. GREECE: Government fears big-power deal on Greek issue --
The Greek Foreign Ministry has informed US Embassy Athens of its concern about recent Soviet advances to US and British representatives regarding the Greek issue and of its desire that every effort be made to keep the Greek question out of the CFM. The Greek Cabinet reportedly feels strongly that: (a) the Greek-Communist dispute must be kept before the UN where Greece is represented; and (b) the Greek issue should be left alone until the rapidly improving military power of the Greeks puts them in a position to settle the disputes with their northern neighbors on the most favorable terms.

CIA-5

The Department of State has advised Embassy Athens that the US is not negotiating on Greek matters without Greek participation and that Greece has not been mentioned as a subject for consideration in the CFM. The Department expresses the hope that the matter will not come before the CFM and indicates that in any case the US will not engage in substantive talks without Greek participation.